

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 19014 041115Z

46

ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 CAB-02 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 CIEP-01 FAA-00 L-03 PRS-01

PA-01 USIA-06 SS-15 NSC-05 /061 W

----- 001395

R 041008Z DEC 76

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC 1739

LIMITED OFFICIAL USE MOSCOW 19014

E.O. 11652: N/A

TAGS: EAIR, UR, US

SUBJECT: AEROFLOT IMPOSES NEW RESTRICTIONS ON PAN AM

REF: MOSCOW 18871

BEGIN SUMMARY: AEROFLOT HAS FORMALLY NOTIFIED PAN AM THAT NEW TICKETING AND RESERVATIONS RESTRICTIONS OUTLINED REFTEL WILL BECOME EFFECTIVE DECEMBER 6. THREATS TO RESTRICT PAN AM CHARTERS AFTER JANUARY 1 HAVE ALSO BEEN MADE. END SUMMARY.

1. PAN AM REP DRAHORAD WAS CALLED TO MINISTRY OF CIVIL AVIATION TO MEET WITH SAMORUKHOV AND TIKHONOV, AEROFLOT COMMERCIAL DIRECTOR, AMONG OTHERS, ON DECEMBER 3. TIKHONOV HANDED DRAHORAD LETTER, WHOSE DATE HAD BEEN CHANGED FROM NOVEMBER TO DECEMBER 3. THE LETTER, SIGNED BY TIKHONOV, WAS IN RESPONSE TO LETTER DATED NOVEMBER 19 TO AEROFLOT FROM PAN AM V.P. SCHOTT, WHICH OUTLINED NEW TICKETING RESTRICTIONS ON AEROFLOT IN U.S. IN WAKE OF CAB ORDER.

2. EMBASSY'S INFORMAL TRANSLATION OF AEROFLOT LETTER FOLLOWS:

BEGIN TEXT:

AEROFLOT CATEGORICALLY OBJECTS TO THE ACTIONS WHICH PAN AM INTENDS TO TAKE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 19014 041115Z

3. WE THINK THAT THE UNILATERAL RESTRICTIONS ADOPTED BY PAN AM DO NOT CORRESPOND TO THE REAL SITUATION OF PAN AM IN THE USSR AND EXCEED IN SCOPE THE RESTRICTIONS DESIGNATED IN THE CAB DECISIONS OF OCTOBER 19 AND NOVEMBER 12, 1976.

4. WE FIND IT NECESSARY TO STATE THAT IF THE STEPS SET FORTH IN THE LETTER OF NOVEMBER 19, 1976 ARE TAKEN AGAINST AEROFLOT, THEN FROM DECEMBER 6, 1976, THE FOLLOWING ABSOLUTELY ANALOGOUS LIMITATIONS WILL BE INTRODUCED AGAINST PAN AM IN THE USSR.

-- TICKET SALES FOR PAN AM FLIGHTS WILL BE CONDUCTED ONLY AT TWO PLACES IN MOSCOW: FRUNZENSKAYA NABEREZHNYAYA NO. 4 AND KUTUZOVSKIY PROSPECT NO. 2, HOTEL UKRAINE.

-- THE CENTRAL INTERNATIONAL AGENCY OF AEROFLOT WILL ITSELF COMPLETELY TAKE ON THE FUNCTION OF PAN AM'S GENERAL AGENT IN THE SECTOR OF RESERVATIONS AND REGISTRATION OF TRANSPORTATION ON PAN AM FLIGHTS. THIS MEANS THAT ALL TICKETS ISSUED AFTER DECEMBER 6, 1976 WITH THE EXCEPTION OF TICKETS ISSUED BY AEROFLOT IN THE USSR, MUST BE REVALIDATED AT THE INDICATED PLACES BY THE PASSENGERS THEMSELVES, WITH PRESENTATION OF ALL TRANSIT DOCUMENTS. REVALIDATION OF TICKETS WILL NOT BE REQUIRED FOR PASSENGERS ARRIVING IN MOSCOW DIRECTLY FROM FOREIGN POINTS AND DEPARTING BY PAN AM FLIGHTS THE SAME DAY.

-- PASSENGER TICKETS NOT REGISTERED IN ACCORDANCE WITH THE ABOVE STIPULATED CONDITIONS WILL NOT BE ACCEPTED FOR TRANSPORTATION ON PAN AM FLIGHTS. END TEXT.

5. AFTER READING THE LETTER, DRAHORAD POINTED OUT TO THE SOVIET OFFICIALS THAT THE REVALIDATION REQUIREMENT APPLIED TO ALL TICKETS FOR SERVICE FROM THE USSR WRITTEN OUTSIDE THE USSR I.E., ON ALL OTHER AIRLINES IN ADDITION TO PAN AM, WHEREAS PAN AM WILL REQUIRE REVALIDATION ONLY OF AEROFLOT TICKETS. MR. SHTEFAN, NEW YORK REP OF AEROFLOT, RESPONDED HE HAD BEEN INFORMED BY PAN AM NEW YORK THAT THE PAN AM REVALIDATION REQUIREMENTS WOULD APPLY TO ALL TRANSPORTATION DOCUMENTS TO THE USSR FROM THE U.S. WRITTEN OUTSIDE THE US. DRAHORAD REPLIED THAT PAN AM WANTS REVALIDATION ONLY OF AEROFLOT TICKETS. HE SAID HE WOULD OBTAIN CLARIFICATION FROM NEW YORK. SHTEFAN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03    MOSCOW 19014 041115Z

REPLIED THAT IF THIS MATTER WERE CLEARED UP BY DECEMBER 6, THE REVALIDATION REQUIREMENT WOULD HOLD ONLY FOR PAN AM TRANSPORTATION DOCUMENTS.

6. SAMORUKHOV CRITICIZED PAN AM'S CANCELLATION OF FIVE SCHEDULED FLIGHTS AT THE CHRISTMAS-NEW YEAR'S SEASON WHILE MAINTAINING ALL ITS CHARTERS IN THE SAME PERIOD. HE DID NOT LIKE TO SEE SCHEDULED FLIGHTS CANCELLED IN FAVOR OF CHARTERS.

AFTER DRAHORAD SHOWED DOCUMENTARY EVIDENCE THAT PAN AM WAS CANCELLING MANY SCHEDULED FLIGHTS SYSTEM-WIDE DURING THE HOLIDAY SEASON, SAMORUKHOV WAS SOMEWHAT MOLLIFIED. HE DID, HOWEVER, ASK PAN AM TO INFORM THE STATE DEPARTMENT THAT AS OF JANUARY 1, 1977, THE MINISTRY WOULD NOT "SIT IDLY" AND WATCH PAN AM CANCEL SCHEDULED FLIGHTS FOR CHARTERS. IN RETURN PAN AM COULD EXPECT CHARTERS NOT TO BE APPROVED. (BEGIN FYI: DRAHORAD TOLD ECON COUNSELOR THAT AS OF NOW HE DOESN'T EXPECT ANY OF SCHEDULED PAN AM FLIGHTS IN JANUARY TO BE CANCELLED BUT THAT PROBLEMS COULD ARISE IF THEY BEGIN TO FLY EMPTY IN THAT MONTH. END FYI.)

7. SAMORUKHOV URGED PAN AM TO PERSUADE THE CAB TO ACCEPT A SPECIAL FARE THAT WOULD ALLOW BOTH PAN AM AND AEROFLOT TO ACCOMMODATE CHARTER PASSENGERS ON SCHEDULED SERVICES. (DRAHORAD TOLD EMBASSY THAT THIS IDEA HAD BEEN DISCUSSED ABOUT 18 MONTHS AGO BY PAN AM WITH THE CAB BUT WAS FOUND INFEASIBLE SINCE IT COULD NOT BE LIMITED TO ONLY THE US-USSR SERVICE.)

8. IN CLOSING SAMORUKHOV COMMENTED THAT PAN AM'S ACTIONS VIOLATED THE "SPIRIT OF HELSINKI."

9. COMMENT: AEROFLOT LETTER STRESSED ELEMENT OF RECIPROCITY IN NEW RESTRICTIONS ON PAN AM. WE BELIEVE THAT THESE ACTIONS REQUIRE RESPONSE, LEST IT BE INTERPRETED AS OUT ACCEPTANCE. THE PROPER COURSE, WE FEEL, WOULD BE TO MAKE CLEAR THAT AEROFLOT'S CONTINUED OPERATIONS IN THE U.S. DEPENDS ON PAN AM'S BEING ABLE TO CONDUCT BUSINESS HERE UNDER REASONABLE OPERATING CONDITIONS.

MATLOCK

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, MEETINGS, AIR FARES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MOSCOW19014  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760449-0792  
**From:** MOSCOW  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761272/aaaacjvw.tel  
**Line Count:** 145  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 MOSCOW 18871  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 APR 2004 by CollinP0>; APPROVED <13 SEP 2004 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AEROFLOT IMPOSES NEW RESTRICTIONS ON PAN AM  
**TAGS:** EAIR, UR, US, PANAM, AEROFLOT  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006